

17 March 1976

MEMORANDUM FOR THE RECORD

SUBJECT: Organization for National Production

STAT 1. On 15 March, at the request of the DCI, Mr. Knoche and I called on Major General Crittenberger, Acting Director, DIA. [ ] and [ ] were also present. STAT

2. I presented the DCI's preliminary decision in regard to national production. There ensued an extended discussion, in which the DIA personnel offered no objection to the DCI's plan. Rather, their questions were directed to issues which the DCI had not yet specifically addressed.

STAT 3. The most important of these was whether the NIO's would move out of Langley along with the IC Staff. [ ] argued strongly that as long as they were located in Langley they would be forced to depend on and to "favor" CIA. I answered that his point was theoretically unassailable, but in practice the NIO's had to depend on someone or they would be forced to grow into yet another intelligence agency. [ ] said that moving them away from CIA would force them to move around the Community more and to draw more even-handedly on the agencies of the Community; new technological devices would make it possible for them to carry out even time-urgent projects from a distance. I repeated that I could not fault the theory of [ ] argument, but that practical considerations weighed strongly against such a course until it was demonstrated that technology could solve the problem. It should be noted that DIA was arguing only that the NIO's not be at Langley, not that they need be part of the IC Staff.\* STAT

STAT \*In contrast to the State view of the NIO's as a path for the policy officer to reach the resources of CIA, the DIA officers see the NIO's as a path for DIA's analysis to research the policymaker. In my view, most of our customers would support the State view. I later tested this idea on [ ] whose response was that he would welcome the NIO's downtown, but only if they could bring substantial elements of the DDI with them. STAT

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5. [ ] also put particular stress on the desirability of making the NIO staff itself as ecumenical as possible by drawing less on CIA and more on other agencies. Mr. Knoche agreed, but pointed out that this could only be done if other agencies were willing, when the chips were down, to furnish first-rate people.

6. General Crittenberger and his colleagues asked a number of questions about plans for USIB, its Committees, and the IC Staff. Mr. Knoche replied to the extent possible, stressing the preliminary nature of these plans.



RICHARD LEHMAN

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